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THE WHITE HOUSE
WASHINGTON

July 24, 1961

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: CIA Occupancy of the New Building in McLean, Virginia

For your information there is enclosed a recommendation on the subject as excerpted from the report made to the President on July 18, 1961 by the President's Foreign Intelligence Advisory Board.

Before the recommendation is presented to the President for final action, it would be appreciated if you would submit your views and comments thereon.

It is requested that your views and comments be provided to this office and to the President's Foreign Intelligence Advisory Board by August 21, 1961.

13/
McGeorge Bundy

Enclosure

cc: The President's Foreign Intelligence
Advisory Board
(Attention: Mr. J. Patrick Coyne)

3 aspects:

1. Leg. History
What if, change
2. Pro + Con
3. Feasibility

*How much
space left in Bldg.*

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THE WHITE HOUSE
WASHINGTON

July 24, 1961

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

The Board recommends that action should be taken at the earliest possible date to assure that the Central Intelligence Agency's plans for the occupancy of the new building in McLean, Virginia are feasible. (We believe there are valid questions that may be raised about these plans. In particular, there are questions about moving all of the [redacted] into the building. We recommend accordingly that these plans be reviewed administratively, and that a feasibility study be made as to the possibility of housing all of the [redacted] functions, or some part thereof, in another place. We believe it may be appropriate to house in the new building some of the [redacted] functions of the Central Intelligence Agency which are now scheduled to be relocated to other buildings in Washington.)

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cc: The President's Foreign Intelligence Advisory Board
(Distribution: Dir. J. [redacted])

3 direct
1. [redacted]
2. [redacted]
3. [redacted]

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orig to Berkoff
in Col White's office

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The first draft of the new unification legislation was received by the Central Intelligence Group on 22 January. Section 102(a) of the draft stated that "There shall be in the Council of National Defense a Central Intelligence Agency with a Director who shall be the head thereof . . ." The Director of CIG, Lt. Gen. Vandenberg, the General Counsel of CIG, Mr. Houston, and one of his assistants met with the drafters the next day and submitted recommendations for incorporation in the next draft. General Vandenberg suggested that the Director's function of providing policy makers with pertinent information should be spelled out more clearly. While General Vandenberg was strongly opposed to the participation of the Central Intelligence Agency or its director in policy decisions on any matter, he felt that the Director of Central Intelligence should be present at meetings of the National Security Council. To this General Norstad voiced serious exceptions, as he felt that the Council was already too big. He thought that the Director should not even be present as an observer, as this had proved to be cumbersome and unworkable at meetings of the Joint Chiefs of Staff. As a compromise, Admiral Sherman suggested that the Director should normally be present at meetings of the Council, in its discretion. General Vandenberg concurred in this, as did General Norstad, and it was accepted with the additional proviso that the Joint Chiefs of Staff would also attend meetings at the discretion of the Council.

General Vandenberg indicated the difficulties which he had had in having to go to the National Intelligence Authority on many problems. He felt that the difficulties of his position would be multiplied, as he would have to ask policy guidance and direction from the Council, which was to consist of many more members than the N.I.A. He was assured that the intent of the act was that the CIA would operate independently and come under the Council only on such specific measures as the Council would, from time to time desire to direct. It would not be necessary for the Agency to ask continual approval from the Council. The Director also pointed out the difficulties of operation where clandestine methods were involved in the absence of detailed legislation empowering him to operate on unvouchered funds, select certain types of personnel, and discharge employees for any question of possible disloyalty.

It was decided that the Director of Central Intelligence should report to the Council on National Defense. General Vandenberg indicated that it would be necessary to report somewhere and that both the President and he did not want another agency "free wheeling" around the Government. However, it was thought that the Agency should have sufficient power to perform its own functions without its being necessary to have specific approval from the Council on each action.

The next draft received by CIG reflected some of these suggestions. A major change was in the beginning of the Intelligence section which reads: "There is hereby established a Central Intelligence Agency . . . with a Director of Central Intelligence who shall be the head thereof . . ." In the third draft when the paragraph regarding the position of the Director as the Intelligence Advisor of the Council was eliminated, the Army-Navy

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conferee pointed out that the position of the Director as the Government's intelligence advisor was inherent in the position itself. The wording "with a Director of Central Intelligence" remained and appeared in the eventual legislation; the position of Director of Central Intelligence was recognized from the beginning as being more than the head of the Central Intelligence Agency but rather as the Chief Intelligence Advisor in the Government.

It must be remembered that in 1947, Congress and the President's Office were strongly influenced by the Pearl Harbor investigations which showed the need for an effective intelligence agency. This was stressed in House and Senate hearings on the National Security Act bill, and witness after witness testified as to value of centralized intelligence. It was also pointed out on numerous occasions that the provisions for a Director of Central Intelligence and a Central Intelligence Agency would be simply a legislative recognition of the President's order of 22 January 1946. The basic role of the Director of Central Intelligence from 1946 was described by General Vandenberg in April 1947: 17.

"The Director of Central Intelligence is presently charged with the following basic functions:

1. The collection of foreign intelligence information of certain types -- without interfering with or duplicating the normal collection activities of the military and naval intelligence services or the Foreign Service of the State Department.
2. The evaluation, correlation and interpretation of the foreign information collected, in order to produce the strategic and national policy intelligence required by the President and other appropriate officials of the Government.
3. The dissemination of the national intelligence produced.
4. The performance of such services of common concern to the various intelligence agencies of the Government as can be more efficiently accomplished centrally.
5. Planning for the coordination of the intelligence activities of the Government so as to secure the more effective accomplishment of the national intelligence objectives."

General Vandenberg also touched upon the responsibilities of the Director to the intelligence community:

"In order to perform his prescribed functions, the Director of Central Intelligence must keep in close and intimate contact with the departmental intelligence agencies of the Government. To provide formal machinery for this purpose, the President's Directive established an Intelligence Advisory Board to advise the Director. The permanent members of this Board are the Directors of Intelligence of the

20X Statement of Lt. Gen. Vandenberg, Director of Central Intelligence, Before the House¹⁴ Committee on Expenditures in the Executive Departments (1 May 1947)

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This was withdrawn by us, and the bill was approved by the Senate.

The bill was passed over three times in the Senate, finally coming up for debate on 21 June. An amendment was offered by Senator McMahon striking out section 7(b) of S.2688 which gave the Agency authority to expend confidential funds. The Congress adjourned, with no further action on the CIA legislation. *by the House was able to act on the bill.*

On 15 December 1948, the Agency presented a draft of legislation to the Budget Bureau which, after suggesting changes, advised CIA on 9 February 1949 that it would have no objection to the Agency sending the revised draft to the 81st Congress. On 11 February the drafts were sent to Congress with an explanation that it was substantially the same as S.2688 and H.R.5871 introduced in the 80th Congress.

The House Armed Services sub-committee No. 3 met on 18 February 1949 to consider the legislation, H.R.2663. The committee discussed it section by section and certain minor amendments were made including:

In Section 5(a)(3)(A)
FIRST The term "the United States" was modified to include "its territories and possessions" so that natives of Hawaii, Alaska, Puerto Rico, and other possessions who were ordered home on leave could be ordered to the United States, its territories and possessions if such were their home. A similar change was made in Section 5(a)(3)(C).

In Section 5(a)(5)
SECOND The word "full-time" was inserted to qualify the phrase "officers and employees of the Agency" in order that the medical facilities involved in the legislation could be extended only to regular full-time employees of the Agency. It was agreed that these facilities should be extended to citizens of the United States and aliens employed by the Agency alike, but the facilities should not be extended to part-time custodial personnel and occasional employees of the Agency. However, physical examinations, inoculations and vaccinations should be given to all employees both full-time and part-time in the interests of the health of the post.

In Section 5(a)(5)(b)
was changed from the full-time personnel to part-time
THIRD The question arose as to the hospital and medical facilities which were to be extended to covert native personnel acting as agents on a part-time basis. Because of the classified nature of this work, no mention of this could be made in a report. However, it was the intent of the committee that any agent who was not a full-time employee who was injured in the course of duty for the Agency should be considered to be a full-time employee of the Agency on that date and be subject to the full provisions of the act.

In Section 6(d)
FOURTH In connection with the carrying of fire-arms, the phrase "and guards" was inserted after the word "courier." The explanation generally offered was that there may be times when CIA would wish to arm a guard with the courier rather than the courier himself.

Under Section 7
FIFTH The intent of the committee was that the only laws to be waived in connection with the admissibility of aliens ~~under the act were these~~ for permanent residence without regard to the immigration laws and regulations. There was no intent to waive any laws regarding the conduct of these aliens once they were in the United States. The committee

F.

Insert before first full paragraph on page 28.

Section 8 of the Act regarding the admission of aliens was one of the most controversial ^{section} ~~aspects~~ of the bill. The Agency strongly urged retention of this provision because it was felt that it would provide inducement to outstanding individuals with high intelligence potential to approach United States officials in order to pass valuable information. It was emphasized that the need for this authority did not arise from problems of substantive immigration but rather from CIA's highly specialized needs, the type of aliens concerned, and the operational problems involved ^{40-43 44} ~~with the frequent need for secrecy and expeditious handling).~~

Insert 2 (C)

~~Insert 11~~

⁴⁷
~~46~~ 43. Memorandum For the Record,
6 January 1949.

~~44~~ 44. Memorandum For the Record,
17 February 1949.

~~45~~ 45. Ibid.

46. Independent Office Appropriation
Act, 1949.

~~47~~ 47. Memorandum For the Record, *supra*
note 44.

~~48~~ 48. Ibid.

⁴⁸
~~47~~ 49. Hearings on H.R. 2663 ~~et al.~~

~~49~~ 50. 95 Cong. Rec. 1952-1990 (1949)

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~~49~~ 51.

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LEGAL STATUS AND LEGISLATIVE HISTORY OF THE

NEW CIA HEADQUARTERS BUILDING

1. Very soon after the establishment of CIA in 1947, serious thought was given to proper housing of the Agency since even at that time Agency personnel were scattered in numerous buildings at varied locations and for the most part in temporary buildings. New impetus was given to solving this problem with the advent of the Korean war and build up of the number of personnel in the Agency. The security hazards in transporting documents between buildings and the physical security hazards in the temporary buildings were stressed along with the economy and efficiency in presenting a justification which resulted in an authorization by the Congress for \$38,000,000 in the Military Construction Act, P.L. 82-155, 28 September 1951. At that time no site had been chosen nor had any plans been drawn. In considering the problem of securing appropriations it was determined not feasible to secure funds until a site selection was made and plans had been drawn. No decisions were reached and the authorization eventually lapsed.

2. Continuing thought was given to this problem and by letter, dated 1 July 1955, the President forwarded to the Congress proposed legislation containing an authorization for \$59,500,000 of which \$50,000,000 was to be for actual construction of the building. P.L. 84-161 was approved 5 July 1955 and provided in part as follows:

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